

Note: This document has been translated from the Japanese original for reference purposes only. In the event of any discrepancy between this translated document and the Japanese original, the original shall prevail.

May 9, 2025

Consolidated Financial Results for the Fiscal Year Ended March 31, 2025 (Under Japanese GAAP)

Company name: TOWA CORPORATION
 Stock exchange listings: Prime Market of Tokyo Stock Exchange
 Stock code: 6315
 URL: <https://www.towajapan.co.jp/en/>
 Representative: Muneo Miura, Director, President Executive Officer
 Contact: Kazuhiko Nakanishi, Executive Officer, Corporate Planning Division Manager
 TEL: +81-75-692-0251

Scheduled date of annual general meeting of shareholders: June 27, 2025
 Scheduled date to commence dividend payments: June 6, 2025
 Scheduled date to file annual securities report: June 26, 2025
 Preparation of supplementary material on financial results: Yes
 Holding of financial results briefing: Yes (for investors and analysts)

(Amounts of less than one million yen are rounded down.)

1. Consolidated financial results for the fiscal year ended March 31, 2025 (from April 1, 2024 to March 31, 2025)

(1) Consolidated Operating Results

(Percentages indicate year-on-year changes)

| | Net sales | | Operating profit | | Ordinary profit | | Profit attributable to owners of parent | |
|-------------------|-------------|------|------------------|-------|-----------------|-------|---|-------|
| | Million yen | % | Million yen | % | Million yen | % | Million yen | % |
| Fiscal year ended | | | | | | | | |
| March 31, 2025 | 53,479 | 6.0 | 8,880 | 2.5 | 9,400 | 3.5 | 8,121 | 26.0 |
| March 31, 2024 | 50,471 | -6.2 | 8,661 | -13.7 | 9,079 | -11.0 | 6,444 | -12.3 |

[Note] Comprehensive income: For the fiscal year ended March 31, 2025: ¥3,924 million [-68.2%]

For the fiscal year ended March 31, 2024: ¥12,325 million [59.4%]

| | Basic earnings per share | Diluted earnings per share | Return on equity | Ratio of ordinary profit to total assets | Ratio of operating profit to net sales |
|-------------------|--------------------------|----------------------------|------------------|--|--|
| | Yen | Yen | % | % | % |
| Fiscal year ended | | | | | |
| March 31, 2025 | 108.28 | — | 13.6 | 11.0 | 16.6 |
| March 31, 2024 | 85.90 | — | 12.2 | 11.3 | 17.2 |

[Reference] Share of profit (loss) of entities accounted for using equity method:

For the fiscal year ended March 31, 2025: ¥ — million yen

For the fiscal year ended March 31, 2024: ¥ — million yen

[Note] Our company conducted a stock split at a ratio of three shares for every one common share, effective as of October 1, 2024. The 'Basic earnings per share' has been calculated under the assumption that this stock split was carried out at the beginning of the previous consolidated fiscal year.

(2) Consolidated Financial Positions

| | Total assets | Net assets | Equity-to-asset ratio | Net assets per share |
|----------------|--------------|-------------|-----------------------|----------------------|
| | Million yen | Million yen | % | Yen |
| As of | | | | |
| March 31, 2025 | 83,228 | 61,386 | 73.8 | 818.41 |
| March 31, 2024 | 87,861 | 58,435 | 66.5 | 779.18 |

(Reference) Equity:

As of March 31, 2025: ¥61,386 million yen

As of March 31, 2024: ¥58,435 million yen

[Note] Our company conducted a stock split at a ratio of three shares for every one common share, effective as of October 1, 2024. The 'Net assets per share' has been calculated under the assumption that this stock split was carried out at the beginning of the previous consolidated fiscal year.

(3) Consolidated Cash Flows

| | Cash flows from operating activities | Cash flows from investing activities | Cash flows from financing activities | Cash and cash equivalents at end of period |
|-------------------|--------------------------------------|--------------------------------------|--------------------------------------|--|
| | Million yen | Million yen | Million yen | Million yen |
| Fiscal year ended | | | | |
| March 31, 2025 | 10,372 | -4,758 | -5,126 | 20,390 |
| March 31, 2024 | 9,665 | -2,773 | -3,524 | 20,517 |

2. Cash Dividends

| | Annual dividends per share | | | | | Total cash dividends (Total) | Payout ratio (Consolidated) | Ratio of dividends to net assets (Consolidated) |
|--|----------------------------|--------------------|-------------------|-----------------|-------|------------------------------|-----------------------------|---|
| | First quarter-end | Second quarter-end | Third quarter-end | Fiscal year-end | Total | | | |
| | Yen | Yen | Yen | Yen | Yen | Million yen | % | % |
| Fiscal year ended March 31, 2024 | — | 0.00 | — | 40.00 | 40.00 | 1,001 | 15.5 | 1.9 |
| Fiscal year ended March 31, 2025 | — | 0.00 | — | 20.00 | 20.00 | 1,501 | 18.5 | 2.5 |
| Fiscal year ending March 31, 2026 (Forecast) | — | 0.00 | — | 20.00 | 20.00 | | 21.9 | |

[Note] Our company conducted a stock split at a ratio of three shares for every one common share, effective as of October 1, 2024. For the fiscal year ending March 2024, the dividend amounts prior to the stock split are listed. Meanwhile, for the fiscal year ending March 2025 and the fiscal year ending March 2026 (forecast), the dividend amounts after the stock split are listed.

3. Forecast of Consolidated Financial Results for the fiscal year ended March 31, 2026 (from April 1, 2025 to March 31, 2026)

(Percentages indicate year-on-year changes.)

| | Net Sales | | Operating profit | | Ordinary profit | | Profit attributable to owners of parent | | Basic earnings per share |
|----------|-------------|-------|------------------|-------|-----------------|-------|---|-------|--------------------------|
| | Million Yen | % | Million Yen | % | Million Yen | % | Million Yen | % | Yen |
| Interim | 23,000 | -16.1 | 1,710 | -67.5 | 1,710 | -67.3 | 1,197 | -68.7 | 15.96 |
| Year-end | 56,000 | 4.7 | 9,800 | 10.4 | 9,800 | 4.3 | 6,860 | -15.5 | 91.46 |

※ Notes

(1) Changes in significant subsidiaries during the period : None

(2) Changes in accounting policies, Changes in accounting estimates and restatement

- | | |
|--|--------|
| 1) Changes in accounting policies due to revisions to accounting standards and other regulations | : None |
| 2) Changes in accounting policies due to other reasons | : None |
| 3) Changes in accounting estimates | : None |
| 4) Restatement | : None |

(3) Number of issued shares (common shares)

1) Total number of issued shares at the end of the period (including treasury shares)

| | |
|----------------------|-------------------|
| As of March 31, 2025 | 75,140,556 shares |
| As of March 31, 2024 | 75,131,664 shares |

2) Number of treasury shares at the end of the period

| | |
|----------------------|----------------|
| As of March 31, 2025 | 134,055 shares |
| As of March 31, 2024 | 135,237 shares |

3) Average number of shares outstanding during the period

| | |
|----------------------------------|-------------------|
| Fiscal year ended March 31, 2025 | 75,002,944 shares |
| Fiscal year ended March 31, 2024 | 75,021,082 shares |

[Note] 1. Our company conducted a stock split at a ratio of three shares for every one common share, effective as of October 1, 2024. The number of issued shares (common shares) has been calculated under the assumption that this stock split was carried out at the beginning of the previous consolidated fiscal year.

2. The number of treasury shares, at the end of the period, includes our company's shares that are held by Custody Bank of Japan, Ltd. (trust account E) as the trust property under the J-ESOP system. Also, our company's shares that are held by Custody Bank of Japan, Ltd. (trust account E) as the trust property under the JESOP system, is included in the number of treasury shares deducted from calculation of the average number of shares.

[Reference] Overview of non-consolidated financial results

Non-consolidated financial results for the fiscal year ended March 31, 2025 (from April 1, 2024 to March 31, 2025)

(1) Non-consolidated operating results

(Percentages indicate year-on-year changes.)

| | Net sales | | Operating profit | | Ordinary profit | | Profit | |
|-------------------|-------------|------|------------------|-------|-----------------|-------|-------------|------|
| | Million yen | % | Million yen | % | Million yen | % | Million yen | % |
| Fiscal year ended | | | | | | | | |
| March 31, 2025 | 41,938 | 0.5 | 2,905 | -32.8 | 3,130 | -37.5 | 3,654 | -0.9 |
| March 31, 2024 | 41,715 | -1.6 | 4,320 | -4.5 | 5,010 | 8.0 | 3,689 | 10.0 |

| | Basic earnings per share | | Diluted earnings per share | |
|-------------------|--------------------------|--|----------------------------|--|
| | Yen | | Yen | |
| Fiscal year ended | | | | |
| March 31, 2025 | 48.73 | | — | |
| March 31, 2024 | 49.18 | | — | |

[Note] Our company conducted a stock split at a ratio of three shares for every one common share, effective as of October 1, 2024. The 'Basic earnings per share' has been calculated under the assumption that this stock split was carried out in the previous fiscal year.

(2) Non-consolidated financial positions

| | Total assets | Net assets | Equity-to-asset ratio | Net assets per share |
|----------------|--------------|-------------|-----------------------|----------------------|
| | Million yen | Million yen | % | Yen |
| As of | | | | |
| March 31, 2025 | 52,595 | 34,999 | 66.5 | 466.62 |
| March 31, 2024 | 60,044 | 35,514 | 59.1 | 473.55 |

[Reference] Equity: As of March 31, 2025: ¥34,999 million yen

As of March 31, 2024: ¥35,514 million yen

[Note] Our company conducted a stock split at a ratio of three shares for every one common share, effective as of October 1, 2024. The 'Net assets per share' has been calculated under the assumption that this stock split was carried out in the previous fiscal year.

※Financial results reports are exempt from audit conducted by certified public accountants or an audit corporation.

※Proper use of earnings forecasts, and other special matters:

1. The above forecasts reflect the Company's judgements and assumptions based on available information as of the announcement date and therefore are not guarantees of future performance. Actual results may differ substantially from the forecasts for various reasons. For further details regarding the performance forecast, please refer to the attached document on page 3, 【1.Overview of Operating Results (4) Future forecast】

2. The presentation materials and supplementary materials for the financial results are available on the company's website.

Contents

| | |
|--|----|
| 1. Overview of Operating Results | 2 |
| (1) Overview of Operating Results for this fiscal year | 2 |
| (2) Overview of Financial Position..... | 3 |
| (3) Overview of Cash flows | 3 |
| (4) Future forecast | 4 |
| 2. Basic Premise on Accounting Standards | 5 |
| 3. Consolidated Financial Statements and Principal Notes | 6 |
| (1) Consolidated Balance Sheet | 6 |
| (2) Consolidated Income Statements and Consolidated Statement of Comprehensive Income | 8 |
| Consolidated Income Statements | 8 |
| Consolidated Statement of Comprehensive Income | 9 |
| (3) Consolidated Statement of Shareholders' Equity | 10 |
| (4) Consolidated Statement of Cash Flows | 12 |
| (5) Notes to Consolidated Financial Statements | 13 |
| (Notes Related to Going Concern Assumption) | 13 |
| (Significant Matters Constituting the Basis of Preparation of Consolidated Financial Statements) ... | 13 |
| (Change in Presentation Method) | 16 |
| (Additional information) | 16 |
| (Consolidated Balance Sheets) | 17 |
| (Consolidated Statements of Income) | 17 |
| (Consolidated Statements of Comprehensive Income) | 19 |
| (Consolidated Statement of Shareholders' Equity) | 20 |
| (Matters related to consolidated cash flow statements) | 22 |
| (Financial Instruments) | 22 |
| (Securities) | 26 |
| (Segment Information) | 27 |
| (Per share information) | 31 |
| (Significant Subsequent events) | 32 |
| 4. Others | 32 |
| (1) Policy for profit distribution and dividends for current and next fiscal year | 32 |
| (2) Director changes | 32 |

1. Overview of Operating Results

(1) Overview of Operating Results for this fiscal year

During this consolidated fiscal year, the global economy maintained steady growth, supported by a recovery in real income due to easing inflation. However, uncertainties persisted, including a slowdown in China's economy amid the prolonged real estate downturn, persistently declining consumption, and the trade policies of the United States.

As for the semiconductor industry, investments in high-performance semiconductors, particularly those related to generative AI, remained steady. On the other hand, investments in semiconductors for consumer goods such as PCs and smartphones, as well as for industrial equipment, continued to stagnate due to prolonged inventory adjustments and sluggish end demand.

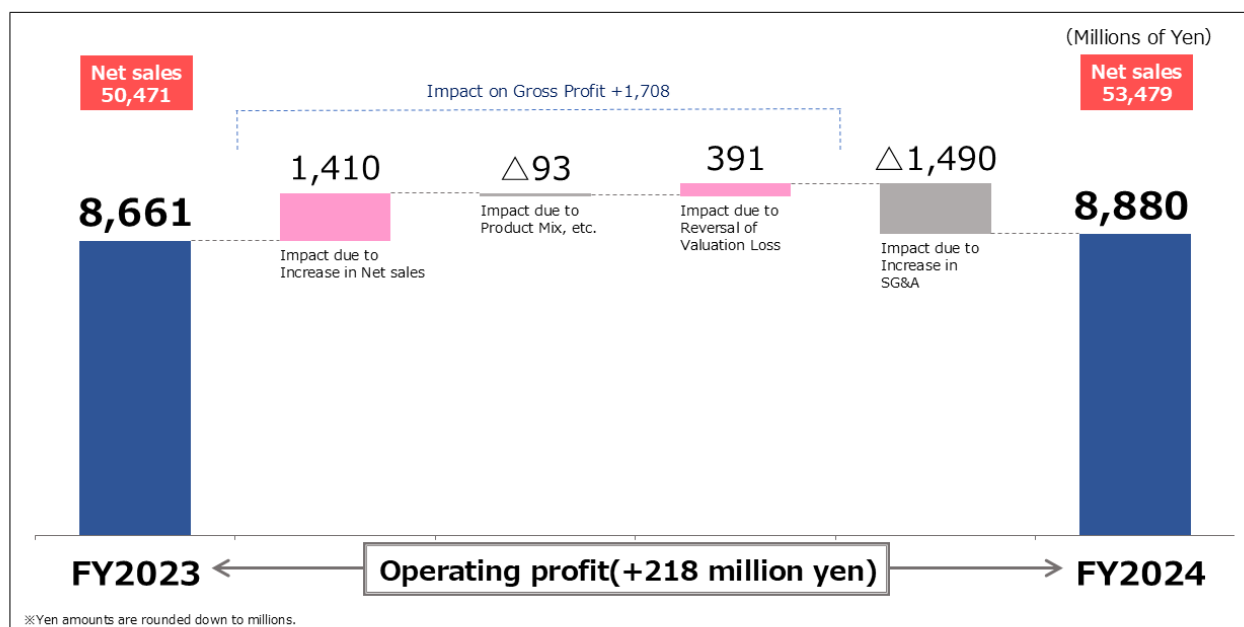
Under these circumstances, our group's performance benefited from demand in China promoting in-house manufacturing of semiconductors, and in Southeast Asia spurred by active investments amidst geopolitical risks. As a result, net sales increased compared to last fiscal year. Regarding profit, although SG&A expenses rose due to factors such as increases in personnel and R&D costs, profit at each stage saw an increase with an increase in net sales. Additionally, the profit attributable to owners of parent includes gains from the sale of certain investment securities.

Management performance for this consolidated fiscal year is as follows.

| | |
|---|---|
| Net sales | 53,479 million yen (year-on-year increase of 3,007 million yen, 6.0%) |
| Operating profit | 8,880 million yen (year-on-year increase of 218 million yen, 2.5%) |
| Ordinary profit | 9,400 million yen (year-on-year increase of 320 million yen, 3.5%) |
| Profit attributable to owners of parent | 8,121 million yen (year-on-year increase of 1,676 million yen, 26.0%) |

Main factors of variation in operating profit for this consolidated fiscal year are as follows.
(year-on-year comparison)

| | |
|--|----------------------------|
| Impact due to Increase in Net sales | 1,410 million yen increase |
| Impact due to Product Mix, etc. | 93 million yen decrease |
| Impact due to Reversal of Valuation Loss | 391 million yen increase |
| Impact due to Increase in SG&A | 1,490 million yen decrease |



Management performance by segment is as follows.

From this consolidated fiscal year, the name of the reporting segment previously known as the "Fine Plastic Molded Products Business" has been changed to the "Medical Device Business". This change is limited to the name of the segment and does not affect the segment information.

[Semiconductor Manufacturing Equipment Business]

Regarding management performance of semiconductor manufacturing equipment business, investments in China and "Other Asia" region was steady and sales of precision molds for semiconductor manufacturing and TSS (Total Solution Service) increased due to an increase in shipments of equipment and improved customer utilization rates.

As a result, total net sales amounted to 48,959 million yen (year-on-year increase of 3,055 million yen, 6.7%). Regarding profits, operating profit amounted to 8,353 million yen (year-on-year increase of 255 million yen, 3.2%) following the increase in sales.

[Medical Device Business]

Regarding management performance of medical device business, due to steady demand for molded and assembled products for medical devices, net sales amounted to 2,263 million yen (year-on-year increase of 113 million yen, 5.3%), and operating profit amounted to 453 million yen (year-on-year decrease of 4 million yen, 1.1%).

[Laser Processing Machine business]

Regarding management performance of laser processing machine business, in addition to the sluggish sales of the main product, laser trimmers, due to low customer utilization rates, there was an increase in personnel expenses associated with strengthening human resources aimed at business expansion and enhancing development capabilities. As a result, net sales amounted to 2,256 million yen (year-on-year decrease of 160 million yen, 6.7%), and operating profit amounted to 73 million yen (year-on-year decrease of 31 million yen, 30.1%).

(2) Overview of Financial Position

Total assets at the end of the consolidated fiscal period were 83,228million yen, a decrease of 4,633 million yen compared to the end of the previous consolidated fiscal year. This was mainly due to a decrease of 3,058 million yen in current assets, such as accounts receivable, and a decrease of 1,574 million yen in non-current assets, such as the market valuation of investment securities.

Total liabilities were 21,842 million yen, a decrease of 7,583 million yen compared to the end of the previous consolidated fiscal year, due to the repayment of loan payable and a decrease of deferred tax liabilities and the payment obligations, such as accounts payable-trade.

Net assets were 61,386 million yen, an increase of 2,950 million yen compared to the end of the previous consolidated fiscal year. This was due to an increase in retained earnings, although there was a decrease in foreign currency translation adjustment and valuation difference on available-for-sale securities.

As a result, the equity ratio at the end of the consolidated fiscal period was 73.8% (an increase of 7.3 percentage points compared to the end of the previous consolidated fiscal year).

(3) Overview of Cash flows

Cash and cash equivalents (hereinafter, "cash") on a consolidated basis at the end of the current consolidated fiscal year decreased by 126 million yen from the end of the previous consolidated fiscal year to 20,390 million yen.

The respective cash flow positions and their main factors during the current consolidated fiscal year are as follows.

(Cash flow from operating activities)

Cash flow from operating activities resulted in a total cash inflow of 10,372 million yen (a 9,665 million yen cash inflow in the same period of the previous fiscal year). This is mainly attributable to a cash inflow due to a decrease of accounts receivable of 2,844 million yen (a 1,476 million yen cash outflow in the same period of the previous fiscal year) and profit before income taxes of 11,208 million yen (a 9,115 million yen in the same period of the previous fiscal year), although there was a decrease of 1,300 million yen in trade payables (a 1,193 million yen cash inflow in the same period of the previous fiscal year) and income tax payments of 3,646 million yen (a 1,906 million yen in the same period of the previous fiscal year) in cash outflow.

(Cash flow from investing activities)

Cash flow from investing activities resulted in a total cash outflow of 4,758 million yen (a 2,773 million yen cash outflow in the same period of the previous fiscal year). This is mainly an expenditure of 4,781 million yen (expenditures of 1,516 million yen in the same period of the previous fiscal year) on the property, plant and equipment due to the construction of a new factory by consolidated subsidiaries and introduction of production equipment.

(Cash flow from financing activities)

Cash flow from financing activities resulted in a total cash outflow of 5,126 million yen (a 3,524 million yen cash outflow in the same period of the previous fiscal year). This is mainly due to scheduled repayments of long-term borrowings of 3,960 million yen (a 1,930 million yen cash outflow in the same period of the previous fiscal year) and dividends paid of 1,001 million yen (1,000 million yen in the same period of the previous fiscal year).

(The trend of cash flow-related indicators)

| | As of March 31, 2021 | As of March 31, 2022 | As of March 31, 2023 | As of March 31, 2024 | As of March 31, 2025 |
|-------------------------------------|-------------------------|-------------------------|-------------------------|-------------------------|-------------------------|
| equity ratio (%) | 60.2 | 57.1 | 64.3 | 66.5 | 73.8 |
| Market value-based equity ratio (%) | 103.2 | 86.2 | 71.3 | 303.6 | 133.9 |
| Debt-to-cash flow ratio (year) | 1.5 | 1.6 | 5.6 | 1.5 | 1.0 |
| Interest coverage ratio(times) | 98.4 | 120.8 | 40.8 | 132.3 | 111.6 |

※ Equity ratio: Total stockholders' equity/Total assets

Market value-based equity ratio: Market capitalization/Total assets

Debt-to-cash flow ratio: Interest-bearing debt/Cash flow from operating activities

Interest coverage ratio: Cash flow from operating activities /Interest paid

1. The above indicators are calculated based on consolidated financial figures.

2. Market capitalization is calculated as: Fiscal year-end share price × fiscal year-end number of shares outstanding (excluding treasury stock)

3. Cash flow from operating activities: Cash flow provided by/used in operating activities on the consolidated statements of cash flows

Interest-bearing debt: All liabilities on the consolidated balance sheet that accrue interest charges

Interest paid: Interest paid on the consolidated statements of cash flows

(4) Future forecast

The semiconductor market has entered a new era with AI as a driving force, and it is expected to continue expanding. In the semiconductor manufacturing equipment market, growth is anticipated due to increased demand for AI and government support for the semiconductor industry in various countries, which is driving investment in facilities.

On the other hand, the current situation shows weakened demand for consumer products such as PCs and smartphones, leading to stagnation in related investment demand. This trend is expected to persist for some time, but demand is predicted to gradually recover starting in the second half of FY2025.

Under these circumstances, our group's consolidated financial performance for the fiscal year ending March 2026 is expected to be as follows: Net sales of 56,000 million yen, Operating profit of 9,800 million yen, Ordinary profit of 9,800 million yen, and Profit attributable to owners of parent of 6,860 million yen.

Regarding the impact of the United States trade policies, the direct effect is minimal due to the low proportion of sales directed toward the U.S. market. While concerns remain about potential effects on the global economy and the restructuring of supply chains, the influence of these policies on performance is highly uncertain and currently unpredictable. Therefore, the above performance forecast does not reflect these potential impacts. If it becomes necessary to revise the performance forecast, it will be announced promptly.

2. Basic Premise on Accounting Standards

In consideration of comparability over time and with other companies, The TOWA Group produces its consolidated financial statements in accordance with the Japanese accounting standards. With regard to the harmonization with IFRS, its policy is to take appropriate steps in the light of developments within and outside Japan.

3. Consolidated Financial Statements and Principal Notes

(1) Consolidated Balance Sheet

| | Thousands of yen | |
|---|-------------------------|-------------------------|
| | As of March 31, 2024 | As of March 31, 2025 |
| Assets | | |
| Current assets | | |
| Cash and deposits | 20,830,999 | 21,338,921 |
| Notes receivable – trade | 86,464 | 58,972 |
| Electronically recorded monetary claims–operating | 345,054 | 351,247 |
| Accounts receivable - trade | 15,049,199 | 11,332,248 |
| Lease receivables and investments in leases | — | 19,965 |
| Merchandise and finished goods | 4,110,721 | 3,828,829 |
| Work in process | 10,041,146 | 10,223,352 |
| Raw materials and supplies | 1,699,212 | 1,795,319 |
| Other | 1,550,660 | 1,709,806 |
| Allowance for doubtful accounts | (2,363) | (6,364) |
| Total Current assets | 53,711,096 | 50,652,299 |
| Non–current assets | | |
| Property, plant and equipment | | |
| Buildings and structures | 22,106,434 | 22,949,252 |
| Accumulated depreciation | (13,065,298) | (13,670,130) |
| Buildings and structures, net | 9,041,135 | 9,279,121 |
| Machinery, equipment and vehicles | 17,554,193 | 18,094,025 |
| Accumulated depreciation | (11,954,563) | (12,434,302) |
| Machinery, equipment and vehicles, net | 5,599,630 | 5,659,723 |
| Land | 5,289,066 | 6,566,490 |
| Leased assets | 1,594,823 | 1,685,684 |
| Accumulated depreciation | (440,008) | (509,906) |
| Leased assets, net | 1,154,815 | 1,175,777 |
| Construction in progress | 232,675 | 829,705 |
| Other | 4,852,823 | 5,248,194 |
| Accumulated depreciation | (4,002,437) | (4,258,128) |
| Other, net | 850,385 | 990,066 |
| Total Property, plant and equipment | 22,167,709 | 24,500,885 |
| Intangible assets | | |
| Other | 1,329,271 | 1,421,284 |
| Total intangible assets | 1,329,271 | 1,421,284 |
| Investments and other assets | | |
| Investment securities | 9,244,703 | 4,446,381 |
| Deferred tax assets | 445,334 | 517,376 |
| Retirement benefit asset | 641,147 | 678,782 |
| Other | 322,569 | *1 1,011,477 |
| Total Investments and other assets | 10,653,756 | 6,654,017 |
| Total Non–current assets | 34,150,736 | 32,576,186 |
| Total Assets | 87,861,833 | 83,228,486 |

| Thousands of yen | | |
|---|-------------------------|-------------------------|
| | As of March 31, 2024 | As of March 31, 2025 |
| Liabilities | | |
| Current liabilities | | |
| Notes and accounts payable–trade | 3,834,249 | 2,551,525 |
| Electronically recorded obligations- operating | 36,252 | 28,887 |
| Short-term borrowings | *2 9,400,000 | *2 7,000,000 |
| Current portion of long-term borrowings | 1,560,000 | 1,120,000 |
| Lease liabilities | 149,506 | 166,833 |
| Income taxes payable | 1,827,856 | 1,222,764 |
| Advances received | 2,598,098 | 1,819,014 |
| Provision for bonuses | 986,299 | 1,168,008 |
| Provision for bonuses for directors(and other officers) | 98,443 | 117,231 |
| Provision for product warranties | 307,882 | 313,722 |
| Other | 2,399,211 | 2,501,956 |
| Total Current liabilities | 23,197,801 | 18,009,944 |
| Non-current liabilities | | |
| Long-term borrowings | 2,490,000 | 1,370,000 |
| Lease liabilities | 419,819 | 407,950 |
| Deferred tax liabilities | 2,330,034 | 957,017 |
| Retirement benefit liability | 933,297 | 1,014,238 |
| Provision for share awards | 40,497 | 82,967 |
| Other | 14,479 | — |
| Total Non-current liabilities | 6,228,128 | 3,832,173 |
| Total Liabilities | 29,425,930 | 21,842,118 |
| Net assets | | |
| Shareholders' equity | | |
| Share capital | 8,955,671 | 8,969,261 |
| Capital surplus | 450,981 | 464,571 |
| Retained earnings | 38,359,732 | 45,479,594 |
| Treasury shares | (115,191) | (115,241) |
| Total Shareholders' equity | 47,651,194 | 54,798,186 |
| Accumulated other comprehensive income | | |
| Valuation difference on available-for-sale securities | 6,013,298 | 2,817,381 |
| Foreign currency translation adjustment | 4,642,014 | 3,716,815 |
| Remeasurements of defined benefit plans | 129,394 | 53,984 |
| Total Accumulated other comprehensive income | 10,784,708 | 6,588,181 |
| Total Net assets | 58,435,903 | 61,386,368 |
| Total Liabilities and net assets | 87,861,833 | 83,228,486 |

(2) Consolidated Income Statements and Consolidated Statement of Comprehensive Income
(Consolidated Income Statements)

| | Thousands of yen | |
|--|-------------------------------------|-------------------------------------|
| | Fiscal year ended March 31, 2024 | Fiscal year ended March 31, 2025 |
| Net sales | 50,471,799 | 53,479,205 |
| Cost of sales | *1 32,273,620 | *1 33,572,197 |
| Gross profit | 18,198,179 | 19,907,008 |
| Selling, general and administrative expenses | *2, *3 9,536,350 | *2, *3 11,026,604 |
| Operating profit | 8,661,829 | 8,880,404 |
| Non-operating income | | |
| Interest income | 145,619 | 191,313 |
| Dividend income | 282,068 | 131,849 |
| Rental income from non-current assets | 57,982 | 71,243 |
| Miscellaneous income | 170,083 | 307,345 |
| Total Non-operating income | 655,754 | 701,751 |
| Non-operating expenses | | |
| Interest expenses | 71,787 | 91,336 |
| Depreciation of assets for rent | 30,397 | 33,083 |
| Foreign exchange losses | 120,986 | 31,466 |
| Miscellaneous losses | 14,677 | 25,884 |
| Total Non-operating expenses | 237,849 | 181,771 |
| Ordinary profit | 9,079,734 | 9,400,384 |
| Extraordinary income | | |
| Gain on sale of non-current assets | *4 35,135 | *4 6,559 |
| Gain on receipt of donated non-current asset | *5 23,200 | — |
| Gain on sale of investment securities | — | 1,306,284 |
| Compensation for damage income | — | 524,175 |
| Total Extraordinary income | 58,335 | 1,837,020 |
| Extraordinary losses | | |
| Loss on sale of non-current assets | — | *6 2,734 |
| Loss on retirement of non-current assets | *7 10,209 | *7 14,292 |
| Loss on valuation of investment securities | 12,786 | 12,056 |
| Total Extraordinary losses | 22,995 | 29,083 |
| Profit before income taxes | 9,115,073 | 11,208,320 |
| Income taxes - current | 2,942,089 | 3,149,194 |
| Income taxes - deferred | (271,208) | (61,924) |
| Total income taxes | 2,670,880 | 3,087,270 |
| Profit | 6,444,193 | 8,121,050 |
| Profit attributable to owners of parent | 6,444,193 | 8,121,050 |

(Consolidated Statement of Comprehensive Income)

| | Thousands of yen | |
|---|-------------------------------------|-------------------------------------|
| | Fiscal year ended March 31, 2024 | Fiscal year ended March 31, 2025 |
| Profit | 6,444,193 | 8,121,050 |
| Other comprehensive income | | |
| Valuation difference on available-for-sale securities | 3,700,708 | (3,195,917) |
| Foreign currency translation adjustment | 2,071,376 | (925,199) |
| Remeasurements of defined benefit plans | 109,390 | (75,410) |
| Total Other comprehensive income | *1 5,881,475 | *1 (4,196,527) |
| Comprehensive income | 12,325,668 | 3,924,523 |
| Comprehensive income attributable to | | |
| Comprehensive income attributable to owners of parent | 12,325,668 | 3,924,523 |

(3) Consolidated Statement of Shareholders' Equity
Previous Consolidated Fiscal year ended March 31, 2024

(Thousands of yen)

| | Shareholders' equity | | | | |
|--|----------------------|-----------------|-------------------|-----------------|----------------------|
| | Share capital | Capital surplus | Retained earnings | Treasury shares | Shareholders' equity |
| Balance at beginning of the period | 8,942,950 | 472,558 | 32,916,324 | (13,436) | 42,318,396 |
| Changes during period | | | | | |
| Issuance of new shares | 12,721 | 12,721 | | | 25,442 |
| Dividends of surplus | | | (1,000,785) | | (1,000,785) |
| Profit attributable to owners of parent | | | 6,444,193 | | 6,444,193 |
| Purchase of treasury shares | | | | (101,754) | (101,754) |
| Change in ownership interest of parent arising from transactions with non-controlling shareholders | | (34,297) | | | (34,297) |
| Net changes in items other than shareholders' equity | | | | | |
| Total changes during period | 12,721 | (21,576) | 5,443,407 | (101,754) | 5,332,797 |
| Balance at end of the period | 8,955,671 | 450,981 | 38,359,732 | (115,191) | 47,651,194 |

| | Valuation and translation adjustments | | | | Non-controlling interests | Net assets |
|--|---|---|---|---------------------------------------|---------------------------|-------------|
| | Valuation difference on available-for-sale securities | Foreign currency translation adjustment | Remeasurements of defined benefit plans | Valuation and translation adjustments | | |
| Balance at beginning of the period | 2,312,590 | 2,570,638 | 20,003 | 4,903,232 | 401,624 | 47,623,254 |
| Changes during period | | | | | | |
| Issuance of new shares | | | | | | 25,442 |
| Dividends of surplus | | | | | | (1,000,785) |
| Profit attributable to owners of parent | | | | | | 6,444,193 |
| Purchase of treasury shares | | | | | | (101,754) |
| Change in ownership interest of parent arising from transactions with non-controlling shareholders | | | | | | (34,297) |
| Net changes in items other than shareholders' equity | 3,700,708 | 2,071,376 | 109,390 | 5,881,475 | (401,624) | 5,479,851 |
| Total changes during period | 3,700,708 | 2,071,376 | 109,390 | 5,881,475 | (401,624) | 10,812,649 |
| Balance at end of the period | 6,013,298 | 4,642,014 | 129,394 | 10,784,708 | — | 58,435,903 |

| | Shareholders' equity | | | | |
|--|----------------------|-----------------|-------------------|-----------------|----------------------|
| | Share capital | Capital surplus | Retained earnings | Treasury shares | Shareholders' equity |
| Balance at beginning of the period | 8,955,671 | 450,981 | 38,359,732 | (115,191) | 47,651,194 |
| Changes during period | | | | | |
| Issuance of new shares | 13,589 | 13,589 | | | 27,179 |
| Dividends of surplus | | | (1,001,188) | | (1,001,188) |
| Profit attributable to owners of parent | | | 8,121,050 | | 8,121,050 |
| Purchase of treasury shares | | | | (2,111) | (2,111) |
| Disposal of treasury shares | | | | 2,061 | 2,061 |
| Net changes in items other than shareholders' equity | | | | | |
| Total changes during period | 13,589 | 13,589 | 7,119,862 | (49) | 7,146,992 |
| Balance at end of the period | 8,969,261 | 464,571 | 45,479,594 | (115,241) | 54,798,186 |

| | Valuation and translation adjustments | | | | Non-controlling interests | Net assets |
|--|---|---|---|---------------------------------------|---------------------------|-------------|
| | Valuation difference on available-for-sale securities | Foreign currency translation adjustment | Remeasurements of defined benefit plans | Valuation and translation adjustments | | |
| Balance at beginning of the period | 6,013,298 | 4,642,014 | 129,394 | 10,784,708 | — | 58,435,903 |
| Changes during period | | | | | | |
| Issuance of new shares | | | | | | 27,179 |
| Dividends of surplus | | | | | | (1,001,188) |
| Profit attributable to owners of parent | | | | | | 8,121,050 |
| Purchase of treasury shares | | | | | | (2,111) |
| Disposal of treasury shares | | | | | | 2,061 |
| Net changes in items other than shareholders' equity | (3,195,917) | (925,199) | (75,410) | (4,196,527) | | (4,196,527) |
| Total changes during period | (3,195,917) | (925,199) | (75,410) | (4,196,527) | | 2,950,465 |
| Balance at end of the period | 2,817,381 | 3,716,815 | 53,984 | 6,588,181 | — | 61,386,368 |

(4) Consolidated Statement of Cash Flows

| | Thousands of yen | |
|--|-------------------------------------|-------------------------------------|
| | Fiscal year ended March 31, 2024 | Fiscal year ended March 31, 2025 |
| Cash flows from operating activities | | |
| Profit (loss) before income taxes | 9,115,073 | 11,208,320 |
| Depreciation | 2,540,701 | 2,673,130 |
| Amortization of goodwill | 146,567 | 149,445 |
| Increase (decrease) in allowance for doubtful accounts | (641) | 4,156 |
| Increase (decrease) in provision for bonuses | (17,175) | 186,197 |
| Increase (decrease) in provision for bonuses for directors (and other officers) | (1,688) | 19,680 |
| Increase (decrease) in retirement benefit liability | 6,952 | (77,837) |
| Increase (decrease) in provision for share awards | 40,497 | 44,209 |
| Increase (decrease) in provision for product warranties | (9,671) | 7,903 |
| Interest and dividend income | (427,687) | (323,162) |
| Interest expenses | 71,787 | 91,336 |
| Foreign exchange losses (gains) | 66,833 | (21,873) |
| Loss (gain) on sale of investment securities | — | (1,306,284) |
| Decrease (increase) in trade receivables | (1,476,948) | 2,844,772 |
| Decrease (increase) in inventories | 96,607 | 21,205 |
| Decrease (increase) in other current assets | (43,896) | (475,440) |
| Increase (decrease) in trade payables | 1,193,242 | (1,300,121) |
| Increase (decrease) in other current liabilities | 348,150 | (148,798) |
| Other, net | (339,832) | 175,611 |
| Subtotal | 11,308,874 | 13,772,451 |
| Interest and dividends received | 258,150 | 325,446 |
| Interest paid | (73,066) | (92,933) |
| Income taxes paid | (1,906,869) | (3,646,478) |
| Income taxes refund | 78,790 | 14,319 |
| Net cash provided by (used in) operating activities | 9,665,880 | 10,372,805 |
| Cash flows from investing activities | | |
| Payments into time deposits | (505,352) | (1,772,258) |
| Proceeds from withdrawal of time deposits | 322,857 | 1,122,975 |
| Proceeds from sale of investment securities | — | 1,540,447 |
| Payments of other investments | (4,589) | (513,930) |
| Purchase of property, plant and equipment and intangible assets | (1,668,564) | (5,044,564) |
| Proceeds from sale of property, plant and equipment and intangible assets | 35,612 | 11,454 |
| Payments for acquisition of businesses | (933,600) | — |
| Other, net | (20,128) | (102,342) |
| Net cash provided by (used in) investing activities | (2,773,764) | (4,758,217) |
| Cash flows from financing activities | | |
| Net increase (decrease) in short-term borrowings | — | (2,400,000) |
| Proceeds from long-term borrowings | 100,000 | — |
| Repayments of long-term borrowings | (1,930,000) | (1,560,000) |
| Purchase of treasury shares | (101,754) | (2,111) |
| Dividends paid | (1,000,785) | (1,001,188) |
| Purchase of shares of subsidiaries not resulting in change in scope of consolidation | (435,922) | — |
| Other, net | (155,902) | (162,963) |
| Net cash provided by (used in) financing activities | (3,524,364) | (5,126,263) |
| Effect of exchange rate change on cash and cash equivalents | 719,024 | (615,211) |
| Net increase (decrease) in cash and cash equivalents | 4,086,775 | (126,886) |
| Cash and cash equivalents at beginning period | 16,430,497 | 20,517,272 |
| Cash and cash equivalents at end of period | *1 20,517,272 | *1 20,390,386 |

(5) Notes to Consolidated Financial Statements
(Notes Related to Going Concern Assumption)
No applicable matters to report.

(Significant Matters Constituting the Basis of Preparation of Consolidated Financial Statements)

1. Scope of consolidation

(1) Number of consolidated subsidiaries: 18

Names of consolidated subsidiaries

- BANDICK CORPORATION
- TOWA LASERFRONT CORPORATION
- TOWATEC Co., Ltd.
- TOWAM Sdn. Bhd.
- TOWA (Suzhou) Co., Ltd.
- TOWA (Nantong) Co., Ltd.
- TOWA TOOL Sdn. Bhd.
- TOWA Fine Co., Ltd.
- TOWA R&D Suzhou Co., Ltd.
- TOWA Korea Co., Ltd.
- TOWA Asia-Pacific Pte. Ltd.
- TOWA (Shanghai) Co., Ltd.
- TOWA Taiwan Co., Ltd.
- TOWA Semiconductor Equipment Philippines Corp.
- TOWA THAI COMPANY LIMITED
- TOWA USA Corporation
- TOWA Europe GmbH
- TOWA Europe B.V.

(2) There are no non-consolidated subsidiaries.

2. Application of the equity method

(1) There are no affiliated companies accounted for by the equity method.

(2) There are no companies not accounted for by the equity method.

3. Fiscal year, etc. of consolidated subsidiaries

Among the consolidated subsidiaries, TOWA (Suzhou) Co., Ltd., TOWA (Nantong) Co., Ltd., TOWA R&D Suzhou Co., Ltd., and TOWA (Shanghai) Co., Ltd. have a fiscal year end of December 31.

In preparing the consolidated financial statements, the financial statements of these companies are based on the provisional settlement of accounts as of the consolidated closing date.

4. Accounting Policies

(1) Valuation standards and methods for significant assets

1) Securities

Other securities

Securities other than stocks without market price

Market value method (valuation differences are recorded as a component of shareholders' equity. Cost of securities sold is determined by the moving-average method.)

Stocks without market price

Cost method based on the moving-average method

2) Inventory

(i) Finished Goods

Mainly stated at cost determined by the specific identification method (balance sheet value is calculated by writing down the book value of assets based on decreased profitability).

(ii) Work in process

Mainly stated at cost determined by the specific identification method (balance sheet value is calculated by writing down the book value of assets based on decreased profitability).

(iii) Raw materials

Mainly stated at cost determined by the moving-average method (balance sheet value is calculated by writing down the book value of assets based on decreased profitability).

(iv) Supplies

Mainly stated at last purchase cost (balance sheet value is calculated by writing down the book value of assets based on decreased profitability)

(2) Depreciation method for significant depreciable assets

1) Property, plant and equipment (excluding leased assets)

The Company and its domestic consolidated subsidiaries use the declining-balance method, while overseas consolidated subsidiaries use the straight-line method.

However, buildings (excluding building fixtures) acquired on or after April 1, 1998 and building fixtures and structures acquired on or after April 1, 2016 are depreciated using the straight-line method.

The estimated useful lives are as follows.

Buildings and structures 2–50 years

Machinery, equipment and vehicles 2–10 years

2) Intangible fixed assets (excluding leased assets)

The Company and its consolidated subsidiaries adopt the straight-line method.

Software for internal use is based on the period during which it can be used internally (5 years).

3) Leased assets

The Company adopts the straight-line method with the lease period as the useful life and residual value as 0.

(3) Accounting standards for significant allowances

1) Allowance for doubtful accounts

To prepare for losses due to bad debt, the allowance for doubtful accounts is provided at an estimated uncollectible amount based on the past credit loss ratio for general receivables and considering the collectability of specific receivables.

2) Provision for bonuses

The Company and some of its consolidated subsidiaries provide for the payment of bonuses to employees based on the estimated amount to be paid.

3) Provision for bonuses for directors

The Company and some of its consolidated subsidiaries provide for directors' bonuses based on the estimated amount to be paid.

4) Provision for product warranties

The Company and some of its consolidated subsidiaries provide for repair costs related to products during the warranty period based on estimated repair costs corresponding to sales based on past performance. In addition, the estimated expense is recorded for specific cases that can be estimated individually.

5) Provision for share awards

To prepare for the provision of the Company's shares, etc. to employees of the Company in line with the Stock Benefit Regulations, the Company recorded the provision based on the estimated share benefit obligation as of the end of the current consolidated fiscal year.

(4) Accounting treatment for retirement benefits

1) Period attribution of projected retirement benefits

In calculating retirement benefit obligations, the projected retirement benefits are attributed to the period up to the end of the current consolidated fiscal year based on the benefit formula basis.

2) Accounting method for actuarial gains and losses and past service costs

Past service cost is amortized by the straight-line method over a fixed period (mainly 10 years) within the average remaining service period of employees at the time of occurrence.

Actuarial gains and losses are amortized in the year following the year in which they arise using the declining-balance method over a fixed period (mainly 10 years) within the average remaining service period of employees at the time of occurrence.

3) Accounting method for unrecognized actuarial gains and losses and unrecognized past service cost

Unrecognized actuarial gains or losses and unrecognized past service cost are recorded as remeasurements of defined benefit plans in accumulated other comprehensive income under net assets, after adjusting for tax effects.

4) Adoption of simplified method in small companies, etc.

Certain consolidated subsidiaries apply the simplified method to the calculation of net defined benefit liability and net defined benefit expense by setting the retirement benefit obligation at the amount required for voluntary retirement at the end of the fiscal year.

(5) Accounting standards for recording significant revenues and expenses

The details of major performance obligations in major businesses related to revenue arising from contracts with customers of the Company and its consolidated subsidiaries and the normal point in time when such performance obligations are satisfied (normal point in time when revenue is recognized) are as follows.

1) Semiconductor Manufacturing Equipment Business

For sale revenue of products that require installation at the time of delivery to the customer, revenue is recognized mainly at the time of completion of installation for products, and for products that do not require installation, revenue is recognized at the time of delivery or acceptance because it is determined that the customer will gain control over the products and the performance obligations are deemed to be fulfilled.

Revenue from services such as warranty, repair, maintenance and relocation related to products is recognized when the performance obligations are deemed to be satisfied at the completion of the services.

Revenue is recognized at the time of shipment if it meets the requirements of Paragraph 98 of the "Guidance on Accounting Standards for Revenue Recognition."

2) Medical Device Business

With respect to sales of products, since the period from the time of shipment to the time when control of the product is transferred to the customer is reasonably short, revenue is recognized at the time of shipment by applying the alternative treatment prescribed in Paragraph 98 of the "Guidance on Accounting Standard for Revenue Recognition. In order to express the business content more clearly, we changed the name of the Fine Plastic Molded Products Business to Medical Device Business.

3) Laser Processing Equipment Business

Revenue from the sale of products is recognized at the time of delivery or acceptance because it is determined that the customer has gained control over the products and the performance obligations are satisfied.

Revenue from services such as warranty, repair, maintenance and relocation related to products is recognized at the completion of the services when the performance obligations are deemed to be satisfied.

Revenue is recognized at the time of shipment if it meets the requirements of Paragraph 98 of the "Guidance on Accounting Standards for Revenue Recognition."

4) Accounting standards for recording revenues for finance lease transactions

The method is attributed to recording sales and cost of sales on the commencement date of the lease transaction.

(6) Standards for translating significant assets or liabilities denominated in foreign currencies into Japanese currency

Monetary claims and liabilities denominated in foreign currencies are translated into Japanese yen at the spot exchange rates prevailing at the balance sheet date, and any translation differences are recorded as gain or loss. Assets and liabilities of foreign subsidiaries are translated into Japanese yen at the spot exchange rate as of the consolidated balance sheet date, while revenues and expenses are translated into Japanese yen at the average exchange rate during the period. Translation differences are included in foreign currency translation adjustments under net assets.

(7) Amortization method and amortization period of goodwill

Goodwill is amortized by the straight-line method over 5-8 years.

(8) Cash and cash equivalent on the consolidated statements of cash flows

Cash and cash equivalents in the consolidated statements of cash flows consist of cash on hand, deposits that can be withdrawn at any time and short-term investments that are readily convertible into cash and that are subject to insignificant risk of changes in value and mature or become due within 3 months of the date of acquisition.

(9) Other significant matters for preparing the consolidated financial statements

Accounting treatment of consumption tax, etc.

Accounting for consumption taxes and local consumption taxes is based on the tax exclusion method. Non-deductible consumption taxes and local consumption taxes are charged to income for the current consolidated fiscal year.

(Change in Presentation Method)

(Consolidated Statements of Income)

“Rental income from non-current assets” which was included in “Miscellaneous income” under Non-operating income in the previous consolidated fiscal year is separately presented for the current consolidated fiscal year because it exceeded 10% of the total Non-operating income. To reflect this change of the presentation method, Notes for the previous consolidated fiscal year have been reclassified.

Consequently, 228,066 thousand yen presented as “Miscellaneous income” under Non-operating income in the consolidated income statement of previous consolidated fiscal year have been reclassified as 57,982 thousand yen under “Rental income from non-current assets” and 170,083 thousand yen under “Miscellaneous income.”

(Additional information)

Restricted stock compensation

Following a resolution passed at the 44th Ordinary General Meeting of Shareholders held on June 29, 2022, the Company has adopted a restricted stock plan for its directors (excluding directors who are members of the Audit Committee and outside directors) to further promote value-sharing with shareholders.

The Company has also adopted a restricted stock plan for its executive officers.

Additionally, at a meeting held on July 25, 2024, the Board of Directors resolved to issue new shares to directors and executive officers at the Company as restricted stock compensation, and payment was completed on August 20, 2024.

Stock Benefit Trust Plan (J-ESOP) Plan

By resolution of the Board of Directors’ meeting held on August 8, 2023, the Company has introduced the “Stock Benefit Trust Plan (J-ESOP)” (hereinafter, the “Plan”), an incentive plan in which shares of the Company are granted to employees, to further link the Company’s stock price and business performance with the treatment of its employees, and to share the economic benefits with shareholders, thereby boosting employees’ motivation and morale to improve the Company’s stock price and business performance.

(1) Outline of transaction

This is a plan in which shares of the Company are granted to employees who meet certain requirements under the Stock Benefit Regulations established in advance.

The Company grants points to employees according to their grade, etc., and when they acquire the right to receive benefits under certain conditions, the Company will grant them shares of the Company equivalent to the points granted. The shares to be granted to employees, including those granted in the future, shall be acquired with money in a trust set up in advance, segregated, and managed as trust assets.

The accounting treatment for the Plan is in accordance with “Practical Solution on Transactions of Delivering the Company’s Own Stock to Employees etc. through Trusts” (PITF (Practical Issue Task Force) No. 30, March 26, 2015), and the gross price method is applied. In addition, to prepare for the provision of the Company’s shares, etc. to employees of the Company in line with the Stock Benefit Regulations, the Company recorded the provision based on the estimated share benefit obligation as of the end of the current consolidated fiscal year.

(2) Treasury shares remaining in trust

The Company recorded its treasury shares remaining in trust as treasury shares in net assets, using the book value in trust (excluding the amount of incidental costs). The book value and the number of these treasury shares were 99,522 thousand yen and 92,700 shares at the end of the previous consolidated fiscal year and 97,461 thousand yen and 90,780 shares at the end of the current consolidated fiscal year.

(Notes)The company conducted a stock split into three shares for each ordinary share on October 1, 2024.

The number of shares mentioned above reflects stock split.

(Consolidated Balance Sheets)

*1 The following assets are pledged as collateral for foreign direct investment cash assistance agreements by consolidated subsidiaries

| | (Thousands of yen) | |
|------------------------|-------------------------|-------------------------|
| | As of March 31, 2024 | As of March 31, 2025 |
| Other investments etc. | — | 473,210 |
| Total | — | 473,210 |

There are no liabilities corresponding to the above pledged assets.

*2 The Company has entered into overdraft agreements and commitment line agreements with 6 banks with the aim of raising funds more efficiently and stabilizing. The balance of unexecuted borrowings based on these agreements at the end of the fiscal year is as follows.

| | Thousands of Yen | |
|--|-------------------------|-------------------------|
| | As of March 31, 2024 | As of March 31, 2025 |
| Total of overdraft limit and commitment line contracts | 18,500,000 | 18,500,000 |
| Balance of borrowings | 9,400,000 | 7,000,000 |
| Net amount | 9,100,000 | 11,500,000 |

(Consolidated Statements of Income)

*1 Inventory at the end of the period is the amount after write-down of book value due to a decline in profitability, and the following inventory valuation loss is included in cost of sales.

| | Thousands of yen | |
|--|-------------------------------------|-------------------------------------|
| | Fiscal year ended March 31, 2024 | Fiscal year ended March 31, 2025 |
| | 888,788 | 329,142 |

*2 Major items and amounts of selling, general and administrative expenses are as follows.

| | Thousands of Yen | |
|---|-------------------------------------|-------------------------------------|
| | Fiscal year ended March 31, 2024 | Fiscal year ended March 31, 2025 |
| Provision for allowance for doubtful accounts | (506) | 4,481 |
| Salaries and allowances | 2,354,462 | 2,667,735 |
| Provision for bonuses | 292,160 | 362,922 |
| Provision for directors' bonuses | 90,653 | 114,586 |
| Retirement benefit expenses | 88,580 | 63,162 |
| Provision for share awards | 14,235 | 14,426 |
| Research and development expenses | 764,496 | 1,154,838 |
| Commission expenses | 1,119,321 | 1,208,662 |

(Change in Presentation Method)

“Research and development expenses” are separately presented as a major item in the current consolidated fiscal year due to its increased importance.

*3 Total research and development expenses included in general and administrative expenses

| Thousands of Yen | | |
|------------------|-------------------------------------|-------------------------------------|
| | Fiscal year ended March 31, 2024 | Fiscal year ended March 31, 2025 |
| | 963,200 | 1,393,476 |

The above amount includes expenses for INNOMS Promotion Department.

*4 Details of Gain on sale of non-current assets are as follows:

| | Thousands of yen | |
|-------------------------------------|-------------------------------------|-------------------------------------|
| | Fiscal year ended March 31, 2024 | Fiscal year ended March 31, 2025 |
| Buildings and structures | 30,808 | - |
| Machinery, equipment and vehicles | 4,308 | 6,493 |
| Other property, plant and equipment | 18 | 65 |
| Total | 35,135 | 6,559 |

*5 Details of gain on donation of fixed assets are as follows:

| | Thousands of yen | |
|--------------------------|-------------------------------------|-------------------------------------|
| | Fiscal year ended March 31, 2024 | Fiscal year ended March 31, 2025 |
| Buildings and structures | 23,200 | - |
| Total | 23,200 | - |

*6 Details of Loss on sale of non-current assets are as follows:

| | Thousands of yen | |
|-------------------------------------|-------------------------------------|-------------------------------------|
| | Fiscal year ended March 31, 2024 | Fiscal year ended March 31, 2025 |
| Machinery, equipment and vehicles | - | 2,730 |
| Other property, plant and equipment | - | 3 |
| Total | - | 2,734 |

*7 Details of Loss on retirement of non-current assets are as follows:

| | Thousands of yen | |
|-------------------------------------|-------------------------------------|-------------------------------------|
| | Fiscal year ended March 31, 2024 | Fiscal year ended March 31, 2025 |
| Buildings and structures | 2,536 | 3,495 |
| Machinery, equipment and vehicles | 5,458 | 5,466 |
| Other property, plant and equipment | 1,318 | 5,180 |
| Software | 895 | 149 |
| Total | 10,209 | 14,292 |

(Consolidated Statements of Comprehensive Income)

*1 Reclassification adjustments and tax effects related to other comprehensive income

| | Thousands of yen | |
|--|---|---|
| | Fiscal year ended March 31, 2024 | Fiscal year ended March 31, 2025 |
| Valuation difference on available-for-sale securities: | | |
| Amount arising during the period | 5,327,826 | (3,252,637) |
| Reclassification adjustment | — | (1,299,465) |
| Before Income taxes and tax effect adjustment | 5,327,826 | (4,552,102) |
| Income taxes and tax effect adjustment | (1,627,118) | 1,356,185 |
| Valuation difference on available-for-sale securities | 3,700,708 | (3,195,917) |
| Foreign currency translation adjustment: | | |
| Amount arising during the period | 2,071,376 | (925,199) |
| Reclassification adjustment | — | — |
| Foreign currency translation adjustment | 2,071,376 | (925,199) |
| Remeasurements of defined benefit plans: | | |
| Amount arising during the period | 180,089 | (42,550) |
| Reclassification adjustment | (19,726) | (62,385) |
| Before Income tax and tax effect adjustment | 160,362 | (104,935) |
| Income tax and tax effect adjustment | (50,971) | 29,525 |
| Remeasurements of defined benefit plans | 109,390 | (75,410) |
| Total other comprehensive income | 5,881,475 | (4,196,527) |

(Consolidated Statement of Shareholders' Equity)

Previous fiscal year ended March 31, 2024

1. Type and total number and types of issued stocks and type and number of treasury stocks

(Share)

| | Number of shares at the beginning of the consolidated fiscal year | Increase in number of shares during the consolidated fiscal year | Decrease in number of shares during the consolidated fiscal year | Number of shares at the end of the consolidated fiscal year |
|-------------------|--|---|---|--|
| Issued stock | | | | |
| Common stock*1 | 25,033,238 | 10,650 | — | 25,043,888 |
| Total | 25,033,238 | 10,650 | — | 25,043,888 |
| Treasury stock | | | | |
| Common stock*2 *3 | 13,597 | 31,482 | — | 45,079 |
| Total | 13,597 | 31,482 | — | 45,079 |

*1The increase of 10,650 shares in the total number of common outstanding is attributable to the capital increase associated with the issuance of new shares as restricted stock compensation.

*2The number of shares of treasury stock (common shares) at the end of the current consolidated fiscal year includes 30,900 shares of the Company held by the Stock Benefit Trust Plan (J-ESOP).

*3The increase in the number of treasury stock (common shares) of 31,482 shares represents an increase of 30,900 shares due to the acquisition by the Stock Benefit Trust Plan (J-ESOP) and an increase of 582 shares due to the purchase of shares less than the unit.

2. Stock Acquisition Rights and Treasury Stock Acquisition Rights

There are no applicable matters.

3. Matters related to dividends

(1) Dividends paid

| (Resolution) | Type of shares | Total amount of dividends | Per share Dividend amount | Record date | Effective date |
|------------------------------------|-------------------|---------------------------|------------------------------|------------------|-------------------|
| | | Thousands of yen | yen | | |
| May 11, 2023 Board of directors | Common stock | 1,000,785 | 40 | March 31,2023 | June 8,2023 |

The company conducted a stock split into three shares for each ordinary share on October 1, 2024.

Per share Dividend amount above reflects before stock split.

(2) Dividends with record date within the current consolidated fiscal year, but with effective date in the following consolidated fiscal year

| (Resolution) | Type of shares | Total amount of dividends | Dividends Source | Per share Dividend amount | Record date | Effective date |
|------------------------------------|-------------------|---------------------------|----------------------|---------------------------------|------------------|-------------------|
| | | Thousands of yen | | yen | | |
| May 10, 2024 Board of directors | Common stock | 1,001,188 | Retained earnings | 40 | March 31,2024 | June 6,2024 |

(Note)1 The total amount of dividends includes a dividend of 1,236 thousand yen to the shares of the Company held by the Stock Benefit Trust Plan (J-ESOP).

2. The company conducted a stock split into three shares for each ordinary share on October 1, 2024.

Per share Dividend amount above reflects before stock split.

Current consolidated fiscal year ended March 31, 2025

1. Type and total number and types of issued stocks and type and number of treasury stocks

(Share)

| | Number of shares at the beginning of the consolidated fiscal year | Increase in number of shares during the consolidated fiscal year | Decrease in number of shares during the consolidated fiscal year | Number of shares at the end of the consolidated fiscal year |
|---------------------|--|---|--|--|
| Issued stock | | | | |
| Common stock*1 | 25,043,888 | 50,096,668 | — | 75,140,556 |
| Total | 25,043,888 | 50,096,668 | — | 75,140,556 |
| Treasury stock | | | | |
| Common stock*2 *3*4 | 45,079 | 90,896 | 1,920 | 134,055 |
| Total | 45,079 | 90,896 | 1,920 | 134,055 |

*1The increase of 50,096,668 shares in the total number of common outstanding is attributable to the increase of 50,087,776 shares due to the stock split into three shares and the increase of 8,892 shares due to the capital increase associated with the issuance of new shares as restricted stock compensation.

*2The number of shares of treasury stock (common shares) at the end of the current consolidated fiscal year includes 90,780 shares of the Company held by the Stock Benefit Trust Plan (J-ESOP).

*3The increase in the number of treasury stock (common shares) of 90,896 shares represents an increase of 90,158 shares due to the stock split into three shares and an increase of 738 shares due to the purchase of shares less than the unit.

*4The decrease in the number of treasury stock (common shares) of 1,920 shares represents a decrease of 1,920 shares due to the payment of J-ESOP.

*5The above figures presented the respective increases, assuming for convenience that the stock split was conducted at the beginning of the current consolidated fiscal year.

2. Stock Acquisition Rights and Treasury Stock Acquisition Rights

There are no applicable matters.

3. Matters related to dividends

(1) Dividends paid

| (Resolution) | Type of shares | Total amount of dividends | Per share Dividend amount | Record date | Effective date |
|------------------------------------|-------------------|---------------------------|------------------------------|------------------|-------------------|
| | | Thousands of yen | yen | | |
| May 10, 2024 Board of directors | Common stock | 1,001,188 | 40 | March 31,2024 | June 6,2024 |

(Note) 1The company conducted a stock split into three shares for each ordinary share on October 1, 2024.
Per share Dividend amount above reflects before stock split.

2.The total amount of dividends includes a dividend of 1,236 thousand yen to the shares of the Company held by the Stock Benefit Trust Plan (J-ESOP).

(2) Dividends with record date within the current consolidated fiscal year, but with effective date in the following consolidated fiscal year

| (Resolution) | Type of shares | Total amount of dividends | Dividends Source | Per share Dividend amount | Record date | Effective date |
|-----------------------------------|----------------|---------------------------|-------------------|---------------------------|----------------|----------------|
| | | Thousands of yen | | yen | | |
| May 9, 2025 Board of directors | Common stock | 1,501,945 | Retained earnings | 20 | March 31, 2025 | June 6, 2025 |

(Note) The total amount of dividends includes a dividend of 1,815 thousand yen to the shares of the Company held by the Stock Benefit Trust Plan (J-ESOP).

(Matters related to consolidated cash flow statements)

*1 Relationship between cash and cash equivalents at the end of the period and the amounts recorded in the consolidated balance sheets

| | Thousands of yen | |
|--|-------------------------------------|-------------------------------------|
| | Fiscal year ended March 31, 2024 | Fiscal year ended March 31, 2025 |
| Cash and deposits | 20,830,999 | 21,338,921 |
| Time deposits with a term longer than 3 months | (313,727) | (948,535) |
| Cash and cash equivalents | 20,517,272 | 20,390,386 |

(Financial Instruments)

1. Status of financial instruments

(1) Policy on financial instruments

The Group invests temporary surplus funds only in short-term deposits, etc. With respect to financing, the Company procures necessary funds through bank loans in light of capital investment plans for the semiconductor manufacturing equipment business mainly.

The Company has entered into overdraft agreements and commitment line agreements with 6 banks to improve the efficiency and stability of fund procurement.

(2) Details and risks of financial instruments

Trade receivables such as notes receivable, accounts receivable and electronically recorded monetary claims are exposed to customers' credit risks. Additionally, trade receivables denominated in foreign currencies arising from our global business operations are exposed to foreign exchange fluctuation risks.

Investment securities are mainly stocks related to business partners and are exposed to market price fluctuation risks.

Notes and accounts payable and electronically recorded obligations, which are trade payables, are mostly due within 4 months. Some items denominated in foreign currencies are exposed to foreign exchange fluctuation risks.

Borrowings are procured for capital investment and working capital, etc. Since they are mainly fixed-rate borrowings, the risk of interest rate fluctuations is minimal. There is also a risk that certain borrowings may be subject to requests for early repayment due to breaches of financial covenants.

(3) Risk management system for financial instruments

1) Management of credit risks (risks related to non-performance of contracts by business partners)

The Company conducts credit investigations at the beginning of transactions and periodically reviews credit limits for notes receivable, accounts receivable and electronically recorded monetary claims, which are trade receivables, in accordance with the Rules for Operating Activities. Consolidated subsidiaries are also managed in the same manner as the Company.

2) Management of market risks (risks of fluctuations in foreign exchange rates and interest rates)

The Company borrows at fixed interest rates in order to control the risk of fluctuations in interest rates on long-term borrowings.

With regard to investment securities, the Company periodically monitors the market value and financial conditions of issuers (business partners) and reviews the status of holdings in consideration of market conditions and relationships with business partners.

Consolidated subsidiaries are also managed in the same manner as the Company.

3) Management of liquidity risk related to fund procurement (risk of not being able to make payments on the due date)
The Finance Department of the Company prepares and updates cash management plans in a timely manner based on reports from each department, and manages liquidity risks by maintaining liquidity on hand, etc. Consolidated subsidiaries are also managed in the same manner as the Company.

(4) Supplementary explanation regarding the fair value, etc. of financial instrument

As fluctuation factors are incorporated in the calculation of fair values of financial instruments, these values may fluctuate if different assumptions, etc. are adopted.

2. Fair value of financial instruments

The amount recorded on the consolidated balance sheet, fair value and the difference between them are as follows.
Previous fiscal year ended March 31, 2024

| (Thousands of yen) | | | |
|-----------------------|---|--------------|------------|
| | Amount recorded in the consolidated balance sheet | Market Value | Difference |
| Investment securities | 9,229,244 | 9,229,244 | — |
| Total Assets | 9,229,244 | 9,229,244 | — |
| Long-term borrowings | 4,050,000 | 4,025,600 | (24,399) |
| Total Liabilities | 4,050,000 | 4,025,600 | (24,399) |

(*1) Cash and deposits, notes receivable–trade, accounts receivable–trade, electronically recorded monetary claims, notes and accounts payable – trade, electronically recorded obligations, short-term borrowings, and income taxes payable are not stated because their fair values approximate their book values as they are settled in a short period of time.

(*2) The stocks without market prices are not included in “Investment securities”. The amount of such financial instruments recorded in the consolidated balance sheets are as follows.

| Category | Previous consolidated fiscal year ended March 31, 2024 |
|----------------|--|
| | Thousands of yen |
| Unlisted stock | 15,459 |

Current consolidated fiscal year ended March 31, 2025

| (Thousands of yen) | | | |
|-----------------------|---|--------------|------------|
| | Amount recorded in the consolidated balance sheet | Market Value | Difference |
| Investment securities | 4,442,978 | 4,442,978 | — |
| Total Assets | 4,442,978 | 4,442,978 | — |
| Long-term borrowings | 2,490,000 | 2,455,355 | (34,644) |
| Total Liabilities | 2,490,000 | 2,455,355 | (34,644) |

(*1) Cash and deposits, notes receivable–trade, accounts receivable–trade, electronically recorded monetary claims, notes and accounts payable – trade, electronically recorded obligations, short-term borrowings, and income taxes payable are not stated because their fair values approximate their book values as they are settled in a short period of time.

(*2) The stocks without market prices are not included in “Investment securities”. The amount of such financial instruments recorded in the consolidated balance sheets are as follows.

| Category | Current consolidated fiscal year ended March 31, 2025 |
|----------------|---|
| | Thousands of yen |
| Unlisted stock | 3,402 |

(Note)1. Scheduled redemption amount of monetary claims after the consolidated closing date
Previous consolidated fiscal year ended March 31, 2024

(Thousands of yen)

| | Within 1 year | 1 to 5 years | 5 to 10 years | Over 10 years |
|---|---------------|--------------|---------------|---------------|
| Cash and deposits | 20,830,999 | — | — | — |
| Notes receivable—trade | 86,464 | — | — | — |
| Accounts receivable—trade | 15,049,199 | — | — | — |
| Electronically recorded monetary claims | 345,054 | — | — | — |
| Total | 36,311,718 | — | — | — |

Current consolidated fiscal year ended March 31, 2025

(Thousands of yen)

| | Within 1 year | 1 to 5 years | 5 to 10 years | Over 10 years |
|---|---------------|--------------|---------------|---------------|
| Cash and deposits | 21,338,921 | — | — | — |
| Notes receivable—trade | 58,972 | — | — | — |
| Accounts receivable—trade | 11,332,248 | — | — | — |
| Electronically recorded monetary claims | 351,247 | — | — | — |
| Total | 33,081,390 | — | — | — |

(Note)2. Amount of Long-term borrowings to be repaid after the consolidated closing date
Previous consolidated fiscal year ended March 31, 2024

(Thousands of yen)

| | Within 1 year | 1 to 5 years | 5 to 10 years | Over 10 years |
|----------------------|---------------|--------------|---------------|---------------|
| Long-term borrowings | 1,560,000 | 2,490,000 | — | — |
| Total | 1,560,000 | 2,490,000 | — | — |

Current consolidated fiscal year ended March 31, 2025

(Thousands of yen)

| | Within 1 year | 1 to 5 years | 5 to 10 years | Over 10 years |
|----------------------|---------------|--------------|---------------|---------------|
| Long-term borrowings | 1,120,000 | 1,370,000 | — | — |
| Total | 1,120,000 | 1,370,000 | — | — |

(Note)3. Items related to the breakdown of the fair value of financial instruments by level

The fair value of financial instruments is classified into the following 3 levels according to the observability and importance of inputs to the calculation of fair value.

Level 1 fair value: Calculated based on the fair value of assets or liabilities subject to market value calculation that are formed in active markets

Level 2 fair value: Calculated by using observable inputs other than Level 1 inputs

Level 3 fair value: Calculated using unobservable inputs

If multiple inputs that significantly affect the calculation of market value are used, the market value is classified at the lowest priority level in the calculation of market value among the levels to which each of those inputs belongs.

(1) Financial instruments recorded on the consolidated balance sheets at fair value

Previous consolidated fiscal year ended March 31, 2024

(Thousands of yen)

| Category | Fair value | | | |
|-----------------------|------------|---------|---------|-----------|
| | Level 1 | Level 2 | Level 3 | Total |
| Investment securities | | | | |
| Shares | 9,229,244 | — | — | 9,229,244 |
| Total assets | 9,229,244 | — | — | 9,229,244 |

Current consolidated fiscal year ended March 31, 2025

(Thousands of yen)

| Category | Fair value | | | |
|-----------------------|------------|---------|---------|-----------|
| | Level 1 | Level 2 | Level 3 | Total |
| Investment securities | | | | |
| Shares | 4,442,978 | — | — | 4,442,978 |
| Total assets | 4,442,978 | — | — | 4,442,978 |

(2) Financial instruments other than those recorded on the consolidated balance sheets at fair value

Previous Consolidated Fiscal year ended March 31, 2024

(Thousands of yen)

| Category | Fair value | | | |
|--|------------|-----------|---------|-----------|
| | Level 1 | Level 2 | Level 3 | Total |
| Long-term borrowings (including ones that are due within 1 year) | — | 4,025,600 | — | 4,025,600 |
| Total liabilities | — | 4,025,600 | — | 4,025,600 |

Current Consolidated Fiscal year ended March 31, 2025

(Thousands of yen)

| Category | Fair value | | | |
|--|------------|-----------|---------|-----------|
| | Level 1 | Level 2 | Level 3 | Total |
| Long-term borrowings (including ones that are due within 1 year) | — | 2,455,355 | — | 2,455,355 |
| Total liabilities | — | 2,455,355 | — | 2,455,355 |

(Note) Explanation of valuation techniques used in the calculation of fair value and inputs related to the calculation of fair value

Investment securities

Listed shares are valued using quoted prices. Since listed shares are traded in active markets, their fair value is classified as Level 1.

Long-term borrowings (including ones that are due within 1 year)

The fair value of long-term borrowings is calculated by discounting the total amount of principal and interest at an interest rate that takes into account the remaining period of borrowings and credit risk. The fair value is classified as Level 2.

(Securities)

1. Other securities

Previous Consolidated Fiscal year ended March 31, 2024

(Thousands of yen)

| | Type | Amount recorded in the consolidated balance sheet | Acquisition cost | Difference |
|---|--|--|------------------|------------|
| Securities whose carrying amount exceeds their acquisition cost | (1) Shares | 9,229,244 | 658,126 | 8,571,117 |
| | (2) Bonds | | | |
| | (i) Government bonds, municipal bonds, etc. | — | — | — |
| | (ii) Corporate bonds | — | — | — |
| | (iii) Others | — | — | — |
| | (3) Others | — | — | — |
| | Subtotal | 9,229,244 | 658,126 | 8,571,117 |
| Securities whose carrying amount does not exceed their acquisition cost | (1) Shares | — | — | — |
| | (2) Bonds | | | |
| | (i) Government bonds, municipal bonds, etc. | — | — | — |
| | (ii) Corporate bonds | — | — | — |
| | (iii) Others | — | — | — |
| | (3) Others | — | — | — |
| | Subtotal | — | — | — |
| Total | | 9,229,244 | 658,126 | 8,571,117 |

(Note) Unlisted shares (15,459 Thousand yen on consolidated balance sheet) are not included in the above table.

Current consolidated fiscal year ended March 31, 2025

(Thousands of yen)

| | Type | Amount recorded in the consolidated balance sheet | Acquisition cost | Difference |
|---|--|--|------------------|------------|
| Securities whose carrying amount exceeds their acquisition cost | (1) Shares | 4,442,978 | 423,963 | 4,019,015 |
| | (2) Bonds | | | |
| | (i) Government bonds, municipal bonds, etc. | — | — | — |
| | (ii) Corporate bonds | — | — | — |
| | (iii) Others | — | — | — |
| | (3) Others | — | — | — |
| | Subtotal | 4,442,978 | 423,963 | 4,019,015 |
| Securities whose carrying amount does not exceed their acquisition cost | (1) Shares | — | — | — |
| | (2) Bonds | | | |
| | (i) Government bonds, municipal bonds, etc. | — | — | — |
| | (ii) Corporate bonds | — | — | — |
| | (iii) Others | — | — | — |
| | (3) Others | — | — | — |
| | Subtotal | — | — | — |
| Total | | 4,442,978 | 423,963 | 4,019,015 |

(Note) Unlisted shares (3,402 thousand yen on consolidated balance sheet) are not included in the above table.

2. Other securities sold

Previous Consolidated Fiscal year ended March 31, 2024

There are no applicable matters.

Current consolidated fiscal year ended March 31, 2025

(Thousands of yen)

| Type | Sold amount | Total amount of gain on sale | Total amount of loss on sale |
|--------|-------------|------------------------------|------------------------------|
| Shares | 1,540,447 | 1,306,284 | — |

3. An impairment loss on securities

Previous Consolidated Fiscal year ended March 31, 2024

An impairment loss of 12,786 thousand yen was recognized for unlisted stocks of available-for-sale securities.

Current consolidated fiscal year ended March 31, 2025

An impairment loss of 12,056 thousand yen was recognized for unlisted stocks of available-for-sale securities.

In addition, impairment losses on unlisted stocks that do not have a market price are, as a general rule, recognized when the actual value of any of such stocks falls by 50% or more compared to the acquisition cost.

(Segment Information)

1. Overview of Reportable Segments

The Group's reportable segments are constituent units of the Group for which separate financial information is available and which are subject to periodic review by the chief management decision-making body in order to determine the allocation of management resources and evaluate business performance.

The Group has a sales and production control base at the Head Office. The Head Office and subsidiaries work together to manufacture and sell mainly semiconductor manufacturing equipment, Medical Device and laser processing equipment, and to provide after-sales service for products. Accordingly, the Group consists of segments by product and service, and has 3 reportable segments: Semiconductor Manufacturing Equipment, Medical Device, and Laser Processing Equipment.

The Semiconductor Manufacturing Equipment segment manufactures and sells precision molds for semiconductor manufacturing, molding equipment, singulation equipment, etc., and provides after-sales service for products. The Medical Device segment manufactures and sells medical devices and other products. The Laser Processing Equipment segment is engaged in the manufacture and sale of laser processing equipment and after-sales service.

(Matters related to changes in reporting segments)

(Changes of the name in reporting segments)

In order to express the business content more clearly, as of the fiscal year through March 2024, we changed the name of the Fine Plastic Molded Products Business to Medical Device Business.

This change is a change to the segment name and does not have any impact on segment information. Segment information for the previous fiscal year is also presented using the new names.

2. Method of calculating sales, profit or loss, assets and other items by reportable segment

The accounting method for reported business segments is the same as that described in "(Significant Matters Constituting the Basis of Preparation of Consolidated Financial Statements)," and the total amount of segment income is consistent with operating income in the consolidated statement of income.

3. Information on net sales, profit or loss, assets and other items by reportable segment

Previous Consolidated Fiscal year ended March 31, 2024

(Thousands of yen)

| | Semiconductor Manufacturing Equipment Business | Medical Device Business | Laser Processing Equipment Business | Total |
|---|---|----------------------------|---|------------|
| Sales | | | | |
| (1) Sales to external customers | 45,903,845 | 2,150,867 | 2,417,087 | 50,471,799 |
| (2) Inter-segment sales or transfers | — | — | — | — |
| Total | 45,903,845 | 2,150,867 | 2,417,087 | 50,471,799 |
| Segment profit | 8,097,933 | 458,335 | 105,560 | 8,661,829 |
| Segment assets | 83,366,305 | 2,709,307 | 1,786,220 | 87,861,833 |
| Other Items | | | | |
| Depreciation expense | 2,347,829 | 111,341 | 50,061 | 2,509,233 |
| Amortization of goodwill | 146,567 | — | — | 146,567 |
| Increase in property, plant and equipment and intangible assets | 1,665,669 | 275,317 | 63,364 | 2,004,351 |

(Note) The total amount of segment profit is consistent with operating income in the consolidated statement of income.
Current consolidated fiscal year ended March 31, 2025

(Thousands of yen)

| | Semiconductor Manufacturing Equipment Business | Medical Device Business | Laser Processing Equipment Business | Total |
|---|---|----------------------------|---|------------|
| Sales | | | | |
| (1) Sales to external customers | 48,959,043 | 2,263,915 | 2,256,247 | 53,479,205 |
| (2) Inter-segment sales or transfers | — | — | — | — |
| Total | 48,959,043 | 2,263,915 | 2,256,247 | 53,479,205 |
| Segment profit | 8,353,235 | 453,393 | 73,775 | 8,880,404 |
| Segment assets | 78,311,797 | 3,140,441 | 1,776,248 | 83,228,486 |
| Other Items | | | | |
| Depreciation expense | 2,442,337 | 133,848 | 62,882 | 2,639,068 |
| Amortization of goodwill | 149,445 | — | — | 149,445 |
| Increase in property, plant and equipment and intangible assets | 5,098,291 | 184,308 | 108,475 | 5,391,075 |

(Note) The total amount of segment profit is consistent with operating income in the consolidated statement of income.

[Related Information]

Previous consolidated fiscal year ended March 31, 2024

1. Information by product and service

Sales by product and service are omitted because the reportable segment of the Company is the same as the classification by product and service.

2. Information by region

(1) Sales

(Thousands of yen)

| Japan | Taiwan | South Korea | China | Philippines | Other Asian countries | Americas | Others | Total |
|-----------|-----------|-------------|------------|-------------|-----------------------|----------|---------|------------|
| 6,939,380 | 5,475,953 | 7,976,940 | 17,139,389 | 4,288,749 | 7,630,706 | 798,544 | 222,135 | 50,471,799 |

(Note) The breakdown of areas in the below categories is as follows:

(1) Other Asian countries: Singapore, Thailand, Malaysia, Indonesia, Vietnam, India

(2) Americas: United States, Canada, Mexico, Costa Rica, Brazil

(3) Others: Germany, United Kingdom, Malta, Hungary, Italy, Austria, France, Netherlands, Denmark, Slovakia, Slovenia, Switzerland

(2) Property, plant and equipment

(Thousands of yen)

| Japan | Malaysia | China | South Korea | Other Asian countries | Europe and Americas | Total |
|------------|-----------|-----------|-------------|-----------------------|---------------------|------------|
| 11,111,713 | 4,463,715 | 4,500,897 | 1,794,735 | 214,841 | 81,806 | 22,167,709 |

(Note) The breakdown of areas in the below categories is as follows:

(1) Other Asian countries: Singapore, Taiwan, Philippines, Thailand

(2) Europe and Americas: United States, Germany, Netherlands

Current consolidated fiscal year ended March 31, 2025

1. Information by product and service

Sales by product and service are omitted because the reportable segment of the Company is the same as the classification by product and service.

2. Information by region

(1) Sales

(Thousands of yen)

| Japan | Taiwan | South Korea | China | Philippines | Other Asian countries | Americas | Others | Total |
|-----------|-----------|-------------|------------|-------------|-----------------------|-----------|---------|------------|
| 6,187,039 | 5,999,801 | 5,894,591 | 19,207,216 | 6,582,131 | 6,967,477 | 2,142,205 | 498,743 | 53,479,205 |

(Note) The breakdown of areas in the below categories is as follows:

(1) Other Asian countries: Singapore, Thailand, Malaysia, Indonesia, Vietnam, India

(2) Americas: United States, Canada, Mexico, Costa Rica, Brazil

(3) Others: Germany, Malta, Austria, France, Netherlands, Belgium, Czech Republic, Denmark, Slovenia, Switzerland

(Changes of the presentation method)

Sales in “Philippines,” which were included in “Other Asian countries” in the previous consolidated fiscal year, are separately presented for the current consolidated fiscal year due to its increased importance. To reflect this change of the presentation method, Notes for the previous consolidated fiscal year have been reclassified.

(2) Property, plant and equipment

(Thousands of yen)

| Japan | Malaysia | China | South Korea | Other Asian countries | Europe and Americas | Total |
|------------|-----------|-----------|-------------|-----------------------|---------------------|------------|
| 11,700,131 | 4,514,915 | 4,327,503 | 3,670,150 | 161,483 | 126,701 | 24,500,885 |

(Note) The breakdown of areas in the below categories is as follows:

(1) Other Asian countries: Singapore, Taiwan, Philippines, Thailand

(2) Europe and Americas: United States, Germany, Netherlands

(Changes of the presentation method)

Property, plant and equipment in “South Korea,” which were included in “Other Asian countries” in the previous consolidated fiscal year, are separately presented for the current consolidated fiscal year due to its increased importance. To reflect this change of the presentation method, Notes for the previous consolidated fiscal year have been reclassified.

[Information on impairment loss of fixed assets by reportable segment]

There are no applicable matters.

[Information on amortization and unamortized balance of goodwill by reportable segment]

Previous consolidated fiscal year ended March 31, 2024

(Thousands of yen)

| | Semiconductor Manufacturing Equipment Business | Medical Device Business | Laser Processing Equipment Business | Total |
|-----------------------------|--|-------------------------|-------------------------------------|---------|
| Current period amortization | 146,567 | — | — | 146,567 |
| Balance at end of period | 542,647 | — | — | 542,647 |

Current consolidated fiscal year ended March 31, 2025

(Thousands of yen)

| | Semiconductor Manufacturing Equipment Business | Medical Device Business | Laser Processing Equipment Business | Total |
|-----------------------------|--|-------------------------|-------------------------------------|---------|
| Current period amortization | 149,445 | — | — | 149,445 |
| Balance at end of period | 378,517 | — | — | 378,517 |

[Information on gain on negative goodwill by reportable segment]

There are no applicable matters.

(Per share information)

| | yen | |
|----------------------|-------------------------------------|-------------------------------------|
| | Fiscal year ended March 31, 2024 | Fiscal year ended March 31, 2025 |
| Net assets per share | 779.18 | 818.41 |
| Net income per share | 85.90 | 108.28 |

(Note) 1. The company conducted a stock split into three shares for each ordinary share on October 1, 2024. Assuming the stock split was conducted at the beginning of the previous consolidated fiscal year, we have calculated the net assets per share and the net income per share.

2. Diluted net income per share is not stated because there are no dilutive shares.

3. Basis for calculation of net assets per share is as follows:

| | Fiscal year ended March 31, 2024 | Fiscal year ended March 31, 2025 |
|---|-------------------------------------|-------------------------------------|
| | Thousands of yen | |
| Total net assets | 58,435,903 | 61,386,368 |
| Amount deducted from total net assets | — | — |
| (Non-controlling interests) | — | — |
| Net assets related to common stock at the end of period | 58,435,903 | 61,386,368 |
| | Share | |
| Number of shares of common stock used for calculating net assets per share at the end of period | 74,996,427 | 75,006,501 |

4. The Company's shares remaining in the "Stock Benefit Trust Plan (J-ESOP)" recorded as treasury shares in shareholders' equity are included in treasury shares deducted from the total number of shares issued at the end of the fiscal year when calculating "net assets per share" (92,700 shares for the Previous consolidated fiscal year, 90,780 shares for the current consolidated fiscal year).

5. The basis for calculating net income per share is as follows:

| | Fiscal year ended March 31, 2025 | Fiscal year ended March 31, 2025 |
|--|-------------------------------------|-------------------------------------|
| | Thousands of yen | |
| Net income attributable to owners of parent | 6,444,193 | 8,121,050 |
| Amount not attributable to common shareholders | — | — |
| Net income attributable to owners of parent related to common shares | 6,444,193 | 8,121,050 |
| | Share | |
| Average number of shares of common stock during the period | 75,021,082 | 75,002,944 |

6. The Company's shares remaining in the "Stock Benefit Trust Plan (J-ESOP)" recorded as treasury shares in shareholders' equity are included in treasury shares deducted in the calculation of the average number of shares during the period when calculating "net income per share" (56,227 shares for the Previous consolidated fiscal year, 91,148 shares for the current consolidated fiscal year).

(Significant Subsequent events)

There are no applicable matters.

4. Others

(1) Policy for profit distribution and dividends for current and next fiscal year

The Company sees the return of profits to shareholders as one of the most important management policies. In line with our basic policy of distributing stable dividends on an ongoing basis, we will distribute profits based on each fiscal year's business performance while securing internal reserves necessary for R&D investments to develop competitive products, capital investments aimed at raising productivity, investments for business expansion into new markets, and improvement of our financial position.

Regarding year-end dividend for this fiscal year, in accordance with the provisions of our Articles of Incorporation, the Board of Directors, at its meeting held on May 9, 2025, resolved to distribute a dividend of 20 yen per share. Since we have decided to forgo the interim dividend, the annual dividend will be 20 yen per share. Our company conducted a stock split at a ratio of three shares for every one common share, effective as of October 1, 2024. Regarding the annual dividend, the amount listed reflects the impact of the stock split. However, when converted to the pre-split basis, it amounts to 60 yen.

For the next fiscal year, we plan to distribute a dividend of 20 yen per share.

(2) Director changes

Regarding the changes in director positions, we announced the "Notice of Change of President " and the "Notice of the Appointment of Executives and Director Changes " on February 27, 2025. Please refer to these announcements for details.